



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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November 14, 2006

TO: Each Supervisor

FROM: Donald L. Wolfe  
Director of Public Works

### **VOTER APPROVAL OF PUBLIC WORKS INFRASTRUCTURE BALLOT MEASURES CALIFORNIA STATE PROPOSITIONS 1A, 1B, 1C, 1E, AND 84**

The following infrastructure ballot measures approved by California voters on November 7, 2006, will have a significant impact on the Department of Public Works.

Proposition 1A – Transportation Funding Protection–Legislative Constitutional Amendment

Proposition 1B – The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006

Proposition 1C – The Housing and Emergency Shelter Trust Fund Act of 2006

Proposition 1E – The Disaster Preparedness and Flood Prevention Bond Act of 2006

Proposition 84 – The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006

These measures will provide considerable funding to the County for the repair of public works infrastructure, traffic congestion relief, enhanced flood control protection, and improved stormwater runoff quality. Attached are brief summaries outlining the highlights of these measures and their benefits to the County.

If you have any questions regarding this matter, please contact me or your staff may contact Patrick V. DeChellis at (626) 458-4004.

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Attach.

cc: Chief Administrative Office  
Executive Office

# **PROPOSITION 1A TRANSPORTATION FUNDING PROTECTION–LEGISLATIVE CONSTITUTIONAL AMENDMENT**

## **1. Proposition Summary**

Proposition 1A amends the State Constitution to further limit the conditions under which the transfer of gasoline sales tax revenues for transportation uses approved under Proposition 42 can be suspended by the State. The measure requires that:

- a. Proposition 42 suspensions must be repaid in full, including interest, within three years of suspension.
- b. The measure allows suspension to occur only twice in ten consecutive fiscal years. No suspension can occur unless prior suspensions (excluding those made prior to 2007-08) have been repaid in full.
- c. The measure also requires that the Proposition 42 suspensions that occurred in 2003-04 and 2004-05 must be repaid by June 30, 2016, at a specified minimum annual rate of repayment. At this time, the majority of the funds owed to the County have been repaid.

## **2. Impact to the County**

As result of the approval of Proposition 1A, Proposition 42 revenues, beginning in Fiscal Year 2008-09, will once again be distributed to the State Transportation Improvement Program, to cities and counties for street and road repair, and to the Public Transportation Account on a 40/40/20 basis. Based on State gasoline sales taxes of \$1.7 billion, the County will receive approximately \$68 million annually in direct disbursements for the repair and rehabilitation of unincorporated County roads. The combined annual total for cities in Los Angeles County is estimated to be \$106 million.

# **PROPOSITION 1B THE HIGHWAY SAFETY, TRAFFIC REDUCTION, AIR QUALITY AND PORT SECURITY BOND ACT OF 2006**

## **1. Proposition Summary**

Proposition 1B authorizes the issuance of **\$19.925 billion** in General Obligation Bonds for a variety of transportation uses throughout the State, including congestion relief projects, public transit, and goods movement.

- The Act provides that the State Legislature, in the annual budget process over a multi-year cycle, will appropriate the funding for many of those programs including funding for local streets and roads and the local bridge seismic retrofits.

## **2. Impact to the County**

The attached spreadsheet shows the various transportation programs that will be funded from the bond proceeds. These programs will fund projects through a combination of direct allocations to local agencies and competitive grants. Some of the highlights of these programs and benefits to the County are as follows.

- Direct Allocation for Improvement of Local Streets and Roads

\$1 billion will be allocated directly to counties and \$1 billion will be allocated to cities for local street and road improvements, congestion relief, and traffic safety using Proposition 42 distribution formulas. The funds are to be used for improvements to address local traffic congestion, street and highway pavement maintenance, drainage and traffic control devices, facilities that expand ridership on transit systems, and safety projects to reduce fatalities. The County will receive \$194.4 million for use on unincorporated County roads, and the cities within the County will receive a total of \$297 million.

It is uncertain as to when this funding will be available. There is a proposal supported by the California State Association of Counties and the League of Cities that this funding be made available to cities and counties over a five-year period beginning in Fiscal Year 2007-08. Other proposals have this funding delayed for several years to allow for funding of other programs in this Act due to the limit by the State on the sale of the bonds.

- Matching Funds for Local Bridge Seismic Retrofit

This program will provide the required 11.47 percent local match for the seismic retrofit of bridges remaining on Caltrans' list of mandatory retrofits. Federal funding will provide the remaining 88.53 percent of the construction cost. It is anticipated that the County as a whole will receive approximately \$29 million under this program. We believe that the disbursement of these funds will be given a priority due to the importance of enhancing the safety of seismically deficient bridges.

- Other programs (Goods Movement, State Transportation Improvement Program, etc.)

As shown on the attached spreadsheet, there are several other programs where the County may be eligible to obtain funding for regional transportation projects through competitive grants. We estimate that the County could apply for an additional \$225 million in competitive transportation grants. It is uncertain when these funds might become available. Statewide Committees involving representatives of local agencies; Regional Transportation Planning Agencies; Metropolitan Planning Organizations; the Department of Business, Transportation, and Housing; and Caltrans have been formed to develop guidelines and recommendations for the distribution of these funds.

PROPOSITION 1B - SENATE BILL 1266 (PERATA)  
HIGHWAY SAFETY, TRAFFIC REDUCTION, AIR QUALITY, AND PORT SECURITY BOND ACT OF 2006  
**PROGRAM FUNDING TABLE**

| Section     | PROGRAM   | Program/Account   | Responsible Agency                 | Description   | Bond Amount (\$Millions) |
|-------------|---|---|------------------------------------|---|--------------------------|
| 8879.23 (a) | CORRIDOR MOBILITY                               | Corridor Mobility Improvement Account   | CA Transportation Commission (CTC) | Improvements on the State Highway System and/or access routes to the State Highway System on the local road system that relieve congestion  | \$ 4,500                 |
| 8879.23 (c) | GOODS MOVEMENT                                  | California Ports Infrastructure, Security, and Air Quality Improvement Account            | Various                            | Infrastructure improvements including grade separation projects along Federally designated "Trade Corridors of National Significance" that have a high volume of freight movement   | \$ 3,100                 |
| 8879.23 (d) | SCHOOL BUS RETROFIT                             | School Bus Air Pollution Reduction Account  | TBD                                | Schoolbus retrofit and replacement to reduce air pollution and to reduce children's exposure to diesel exhaust  | \$ 200                   |
| 8879.23 (e) | STATE TRANSPORTATION IMPROVEMENT PROGRAM        | Transportation Facilities Account   | Caltrans/CTC Allocation            | Provide funding for projects programmed in the <b>State Transportation Improvement Program (STIP)</b>   | \$ 2,000                 |
| 8879.23 (f) | PUBLIC TRANSIT                                  | Public Transportation Modernization, Improvement, and Service Enhancement Account         | Caltrans                           | Intercity rail projects and commuter/urban rail operators, bus operators, and other transit operators in California for rehabilitation, safety or modernization improvements, capital projects, bus rapid transit improvements                                    | \$ 4,000                 |
| 8879.23 (g) | STATE-LOCAL PARTNERSHIP PROGRAM                 | State-Local Partnership Program Account   | Caltrans/CTC Allocation            | Transportation Improvement Projects on the State Highway System and local streets and roads   | \$ 1,000                 |
| 8879.23 (h) | TRANSIT SAFETY                                  | Transit System Safety, Security, and Disaster Response Account                            | TBD                                | Capital projects that provide increased protection against a security and safety threat, and to increase the capacity of transit operators to develop disaster response transportation systems that can move people, goods, and emergency personnel and equipment | \$ 1,000                 |
| 8879.23 (i) | LOCAL BRIDGE SEISMIC RETROFIT PROGRAM           | Local Bridge Seismic Retrofit Account   | Caltrans                           | Provide the 11.5 percent required match for Federal Highway Bridge Replacement and Repair funds available to the State for seismic work on local bridges, ramps, and overpasses   | \$ 125                   |
| 8879.23 (j) | HIGHWAY-RAILROAD SAFETY PROGRAM                 | Highway-Railroad Safety Account   | Caltrans/CTC Allocation            | Provide funding for High-Priority Grade Separation and Railroad Crossing Safety Improvements  | \$ 250                   |
| 8879.23 (k) | STATE HIGHWAY OPERATIONS AND PROTECTION PROGRAM | Highway Safety, Rehabilitation, and Preservation Account                                  | Caltrans                           | Provide for the State Highway Operation and Protection Programs (SHOPP) - \$250 Million for Traffic Light Synchronization Projects on Local Streets and Roads   | \$ 750                   |
| 8879.23 (l) | LOCAL STREETS AND ROADS                         | Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account of 2006 | Controller                         | Safety, rehabilitation, or capacity improvements necessary to improve local streets and roads   | \$ 2,000                 |
|             |   | HIGHWAY SAFETY, TRAFFIC REDUCTION, AIR QUALITY, AND PORT SECURITY BOND ACT OF 2006        |                                    |   | \$ 19,925                |

## **PROPOSITION 1C**

### **HOUSING AND EMERGENCY SHELTER TRUST FUND ACT OF 2006**

#### **1. Proposition Summary**

Proposition 1C would authorize the issuance of **\$2.85 billion** in General Obligation Bonds to fund 13 new and existing housing and development programs. About one-half of the funds will be dedicated to existing State housing programs.

#### **2. Impact to the County**

This bond measure includes \$850 million in funding for the Regional Planning, Housing, and Infill Incentive Program. These incentive grant funds will be used for infrastructure improvements related to infill housing development such as urban parks; water, sewer, and other public works facilities; transportation improvements; and traffic mitigation. It is difficult to predict the amount of funding that the County might realize under this program.

# **PROPOSITION 1E**

## **THE DISASTER PREPAREDNESS AND FLOOD PREVENTION BOND ACT OF 2006**

### **1. Proposition Summary**

This measure provides for the State to sell bonds totaling **\$4.09 billion** with the major sections relating to enhancing flood protection listed below.

- Section 5096.824 – \$500 million is to be allocated to the Department of Water Resources (DWR) for the Flood Control Subvention Fund to finance the State's share of projects funded by federal agencies such as the Army Corps of Engineers.
- Section 5096.825 – \$290 million not specified to any agency for protection, creation, and enhancement of flood protection corridors and bypasses.
- Section 8096.82 – \$300 million to DWR for stormwater flood management projects that have at least a 50 percent match, reduce runoff, provide multiple benefits, comply with applicable Regional Water Quality Control Board plans, and are consistent with an Integrated Resource Water Management Plan (IRWMP).
- The remaining \$3.00 billion is allocated to repairing the San Joaquin and Sacramento Delta levees.

These funds can only be appropriated until July 1, 2016. The criteria and mechanism for the distribution of these funds has not yet been established.

### **2. Impact to the County**

The funds generated by this Act are to be appropriated by the State Legislature in the annual budget process over a multi-year cycle.

- The \$500 million under Section 5096.824 goes to the Flood Control Subvention Fund. These funds could reimburse the County for funds spent on the Los Angeles County Drainage Area (LACDA) project once we become eligible.
- The \$290 million in Section 5096.825 includes money for floodplain and alluvial fan mapping and studies, and the protection, creation, and enhancement of flood protection corridors. These potential flood protection corridor funds could be used for the Santa Clarita, Acton, and the Antelope Valley areas. The funds could also be used for our National Flood Insurance Program efforts.
- The \$300 million under Section 8096.827 can help fund projects identified in the greater Los Angeles area IRWMP as well as water quality compliance projects and other multi-use projects. It could also provide funds for flood control through runoff reduction strategies and projects.

Many of our projects, especially multiuse, can benefit from more than one Section in the bond.

**PROPOSITION 84  
THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY,  
FLOOD CONTROL, RIVER AND COASTAL PROTECTION  
BOND ACT OF 2006**

**1. Proposition Summary**

This measure authorizes **\$5.388 billion** in General Obligation Bonds to fund projects relating to safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and conservation efforts. It also provides funding for emergency drinking water, and exempts such expenditures from public contract and procurement requirements to ensure immediate action for public safety. The funds are allocated as follows:

- \$240 million for safe drinking water
- \$1.285 billion for integrated water management and water quality
- \$800 million for flood control
- \$65 million for Statewide water planning and design
- \$928 million for protection of rivers, lakes, and streams
- \$50 million for wildlife and forest conservation
- \$540 million for beaches, bays, and coastal protection
- \$500 million for parks and nature education centers
- \$580 million for sustainable communities

**2. Impact to the County**

Proposition 84 could fund water and land-related programs and projects, including a \$90 million investment in the Colorado River, which is one of the primary water sources for Southern California; County projects related to flood protection; Total Maximum Daily Loads (TMDLs) for pollutants; and floodplain mapping. The full funding impact to the County will be clearer once the bond implementation legislation and funding guidelines are developed; however, the bond initiative does direct funds to Los Angeles County as shown on the following table.

| <b>Funding Amount</b> | <b>Program</b>  | <b>Bond Funding Category</b>                |
|-----------------------|---|---|
| \$72 million          | Los Angeles/San Gabriel Rivers Watersheds                             | Protection of Rivers, Lakes & Streams       |
| \$215 million         | Los Angeles and Ventura Counties Integrated Regional Water Management | Integrated Water Management & Water Quality |



|              |   |   |
|--------------|---|---|
| \$45 million | Santa Monica Bay Watersheds<br>(Santa Monica Mountains Conservancy,<br>Baldwin Hills Conservancy, San Gabriel<br>and Lower Los Angeles Rivers and<br>Mountains Conservancy) | Beaches, Bays &<br>Coastal Protection             |
| \$27 million | North/South Lahontan (Antelope Valley)  | Integrated Water<br>Management &<br>Water Quality |